ALABAMA ALTERNATIVE FUEL VEHICLE INCENTIVES AND LAWS

Overview

The main incentive for alternative fuel vehicles (AFVs) in Alabama is assistance of up to \$25,000 per project for conversion of fleet vehicles from the Alabama Department of Economic and Community Affairs. However, the 1996 program may be limited to public fleets. Several Alabama natural gas utilities support natural gas vehicle (NGV) programs and will offer incentives on a case-by-case basis.

State Incentives

The Alabama Department of Economic and Community Affairs offers assistance for conversion of fleet vehicles to alternative fuels, up to \$25,000 per project. Funding for this program comes from \$200,000 in oil overcharge funds. The program will be announced in late 1995 or early 1996 and may be limited to public fleets. The Department of Economic and Community Affairs also funds a natural gas information center at the University of Alabama that provides technical assistance. For additional information, contact Russell Moore at (334) 242-5294.

Utility/Private Incentives

Alabama Gas Corporation is part of a joint venture, Monarch CNG, to establish a network of natural gas filling stations throughout Alabama and to assist fleet operators. Monarch offers financing at 9.5% for vehicle conversions. Monarch has opened a public compressed natural gas (CNG) refueling station in Birmingham, and is pricing CNG at 63% of the average street price of the lowest grade of unleaded gasoline. For more information, contact Bob Strickland at (205) 326-8449.

<u>Mobile Gas Service</u> will offer customers incentives for converting vehicles to natural gas on a case-by-case basis. Mobile Gas Service has a special lower rate for natural gas used to fuel NGVs. Assistance with CNG refueling stations includes sizing and construction assistance, and financing. Mobile Gas Service offers technical assistance, vehicle conversion training, and operates one public CNG refueling station. Contact Stephen Russell at(334) 476-2720 for additional information.

<u>Southern Natural Gas</u> provides technical assistance to customers wishing to convert to NGVs. Incentives are available on a case-by-case basis for a refueling facility, NGV conversions, and original equipment manufacturer (OEM) NGV purchases. Southern Natural Gas offers station financing and station design through subsidiary Sonat Ventures. Sonat Ventures is also a part of the Monarch CNG joint venture. For additional information, call Bill Cope at (205) 325-3874.

Laws & Regulations

The road tax for propane vehicles and NGVs is paid through a flat window sticker fee in place of the per gallon tax on gasoline.

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Points of Contact

Alabama State Energy Office

Alabama Department of Economic and

Community Affairs

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Alabama Gas Corporation

Bob Strickland (205) 326-8449

Mobile Gas Service

Stephen Russell (334) 476-2720

Southern Natural Gas

Bill Cope (205) 325-3874

Metropolitan Planning Organizations

Birmingham Regional Planning Commission

William Foisy (205) 251-8139

Alabama State Transportation Contact

Jerry Peters (334) 242-6078

U.S. Department of Energy Regional Support Office

Atlanta Regional Support Office

Angela Young (404) 347-7143

U.S. Department of Transportation Contacts

Federal Highway Administration

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Federal Transit Administration

Region 4

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General Services Administration Regional Fleet Manager

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U.S. Environmental Protection Agency Regional Pollution Prevention Coordinator

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